

**ORIENTAL BANK OF COMMERCE  
CORPORATE OFFICE, GURGAON**

**Audited Financial Results for the Quarter/Financial Year ended March 31<sup>st</sup>, 2015**

(₹ in lakhs)

S.No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
		(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
<b>1</b>	<b>Interest earned (a+b+c+d)</b>	509086	494677	490082	1996138	1901748
a)	Interest/discount on advances/bills	374832	380147	371651	1514499	1456400
b)	Income on Investments	127762	113754	111474	466995	431104
c)	Interest on balances with Reserve Bank of India and other inter Bank funds	2212	767	2257	9461	8259
d)	Others	4280	9	4700	5183	5985
<b>2</b>	<b>Other Income</b>	<b>62853</b>	<b>51202</b>	<b>75454</b>	<b>212140</b>	<b>194527</b>
<b>3</b>	<b>Total Income (1+2)</b>	<b>571939</b>	<b>545879</b>	<b>565536</b>	<b>2208278</b>	<b>2096275</b>
<b>4</b>	<b>Interest Expended</b>	<b>379317</b>	<b>364930</b>	<b>359212</b>	<b>1487718</b>	<b>1389038</b>
<b>5</b>	<b>Operating Expenses (i)+(ii)+(iii)</b>	<b>71056</b>	<b>79466</b>	<b>67950</b>	<b>297853</b>	<b>291688</b>
(i)	Employees cost	39641	44428	38641	163746	167670
(ii)	Rent Taxes & Lighting	7941	7615	7276	31258	28874
(iii)	Other operating expenses	23474	27423	22033	102849	95144
<b>6</b>	<b>Total Expenditure (4) + (5) (Excluding Provisions and Contingencies)</b>	<b>450373</b>	<b>444396</b>	<b>427162</b>	<b>1785571</b>	<b>1680726</b>
<b>7</b>	<b>OPERATING PROFIT before provisions and contingencies (3-6)</b>	<b>121566</b>	<b>101483</b>	<b>138374</b>	<b>422707</b>	<b>415549</b>
<b>8</b>	<b>Provisions(other than tax) and Contingencies</b>	<b>110657</b>	<b>102252</b>	<b>93071</b>	<b>331186</b>	<b>257507</b>
<b>9</b>	<b>Exceptional Items (Refer Note No.5)</b>	<b>28043</b>	<b>0</b>	<b>0</b>	<b>28043</b>	<b>0</b>
<b>10</b>	<b>Profit (+)/loss(-) from Ordinary Activities before tax (7-8-9)</b>	<b>-17134</b>	<b>-769</b>	<b>45303</b>	<b>63478</b>	<b>158042</b>
<b>11</b>	<b>Tax Expense (a+b)</b>	<b>710</b>	<b>-2725</b>	<b>14271</b>	<b>13770</b>	<b>44101</b>
(a)	Current and Deferred Tax	1575	7275	23566	52600	53396
(b)	Adjustment relating to earlier years	-865	-10000	-9295	-38830	-9295
<b>12</b>	<b>Profit (+)/loss(-) from Ordinary Activities after Tax(10-11)</b>	<b>-17844</b>	<b>1956</b>	<b>31032</b>	<b>49708</b>	<b>113941</b>
<b>13</b>	<b>Extraordinary items(net of tax expense)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>14</b>	<b>Net Profit (+)/ Loss (-) for the period( 12-13)</b>	<b>-17844</b>	<b>1956</b>	<b>31032</b>	<b>49708</b>	<b>113941</b>
<b>15</b>	<b>Paid-up equity share capital (Face value of each share -₹ 10/-)</b>	<b>29985</b>	<b>29985</b>	<b>29985</b>	<b>29985</b>	<b>29985</b>
<b>16</b>	<b>Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)</b>				<b>1285760</b>	<b>1247950</b>



(₹ in lakhs)						
S.No.	Particulars	Quarter ended 31.03.2015 (Audited)	Quarter ended 31.12.2014 (Reviewed)	Quarter ended 31.03.2014 (Audited)	Year ended 31.03.2015 (Audited)	Year ended 31.03.2014 (Audited)
17	<b>Analytical Ratios</b>					
(i)	Percentage of shares held by Government of India	59.13	59.13	59.13	59.13	59.13
(ii)	Capital Adequacy Ratio (%) - BASEL II	12.28	11.96	11.85	12.28	11.85
	Capital Adequacy Ratio (%) - BASEL III	11.41	11.26	11.01	11.41	11.01
(iii)	<b>Earning Per Share (EPS) (in ₹)</b>					
	a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year - not annualised	-5.95	0.65	10.36	16.58	38.73
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year - not annualised	-5.95	0.65	10.36	16.58	38.73
(iv)	<b>NPA RATIOS</b>					
	(a) Gross NPA	766622	766922	561786	766622	561786
	(b) Net NPA	481624	508036	390442	481624	390442
	(c) % of Gross NPA	5.18	5.43	3.99	5.18	3.99
	(d) % of Net NPA	3.34	3.68	2.82	3.34	2.82
	(e) Return on Assets (Annualised)(%)	-0.32	0.04	0.58	0.23	0.56
18	<b>Public shareholding</b>					
	- Number of shares	122539700	122539700	122539700	122539700	122539700
	- Percentage of shareholding	40.87	40.87	40.87	40.87	40.87
19	<b>Promoters and Promoter Group Shareholding</b>					
	<b>a) Pledged/ Encumbered</b>					
	Number of Shares	Nil	Nil	Nil	Nil	Nil
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
	<b>b) Non- Encumbered</b>					
	Number of Shares	177309043	177309043	177309043	177309043	177309043
	Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	Percentage of Shares (as a % of the Total share capital of the Company)	59.13	59.13	59.13	59.13	59.13



**ORIENTAL BANK OF COMMERCE**

**SEGMENT REPORTING FOR THE QUARTER/ YEAR ENDED 31.03.2015**

(₹ In Lakhs)

Part A : Business Segments	Quarter ended			Year ended	
	31.03.2015 (Audited)	31.12.2014 (Reviewed)	31.03.2014 (Audited)	31.03.2015 (Audited)	31.03.2014 (Audited)
<b>1 Segment Revenue</b>					
(a) Treasury Operations	154496	138449	120437	549670	480394
(b) Corporate/Wholesale Banking	323210	316299	295534	1276131	1096008
(c) Retail Banking	201907	191261	238294	788443	886181
(d) Other Banking Business	5965	5273	10488	27230	31187
(e) Unallocated	0	0	0	0	0
<b>Total</b>	<b>685578</b>	<b>651282</b>	<b>664753</b>	<b>2641474</b>	<b>2493770</b>
Less: Inter Segment Revenue	117911	105430	105130	438389	404694
<b>Net sales/Income from operations</b>	<b>567667</b>	<b>545852</b>	<b>559623</b>	<b>2203085</b>	<b>2089076</b>
<b>2 Segment Results (Profit) + Loss (-) before tax and interest</b>					
(a) Treasury Operations	430	16439	7091	63737	45721
(b) Corporate/Wholesale Banking	-24063	-22561	9255	-40141	27092
(c) Retail Banking	109	3524	18095	22635	65366
(d) Other Banking Business *	2546	1925	5263	12761	13446
(e) Unallocated	0	0	0	0	0
<b>Total</b>	<b>-20978</b>	<b>-673</b>	<b>39704</b>	<b>58992</b>	<b>151625</b>
Less:					
(i) interest	0	0	0	0	0
(ii) Other Un-allocable Expenditure net off unallocable income	-3844	96	-5599	-4486	-6417
(iv) Taxes	710	-2725	14271	13770	44101
<b>Total Profit after Tax</b>	<b>-17844</b>	<b>1956</b>	<b>31032</b>	<b>49708</b>	<b>113941</b>
<b>3 Capital Employed (Segment Assets-Segment Liabilities)</b>					
(a) Treasury Operations	101961	94900	91412	101961	91412
(b) Corporate/Wholesale Banking	683332	731062	623189	683332	623189
(c) Retail Banking	426873	442062	502488	426873	502488
(d) Other Banking Business	7264	7913	11945	7264	11945
(e) Unallocated	158505	132284	114033	158505	114033
<b>Total</b>	<b>1377935</b>	<b>1408221</b>	<b>1343067</b>	<b>1377935</b>	<b>1343067</b>

\* Based on allocation of direct cost only.

**Part B : Geographical Segments**

Bank does not have foreign operations (Branches in foreign country) and hence no disclosure.



(Rs. in Lakhs)

STATEMENT OF ASSETS AND LIABILITIES	Sch. No.	As on 31.03.2015	As on 31.03.2014
<b>CAPITAL &amp; LIABILITIES</b>			
Capital	1	29985	29985
Reserves & Surplus	2	1347950	1313082
Deposits	3	20400970	19348896
Borrowings	4	654501	786361
Other Liabilities and Provisions	5	617952	551926
<b>Total</b>		<b>23051358</b>	<b>22030250</b>
<b>ASSETS</b>			
Cash & Balances with Reserve Bank of India	6	1018838	998115
Balances with Banks and Money at Call & Short Notice	7	58743	428777
Investments	8	6844045	6147223
Advances	9	14526130	13907984
Fixed Assets	10	135253	125557
Other Assets	11	468349	422594
<b>Total</b>		<b>23051358</b>	<b>22030250</b>

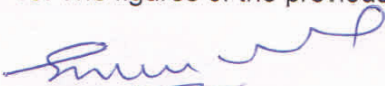
**Notes:-**

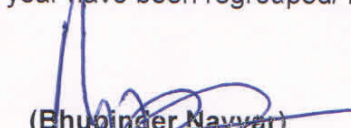
1. The Bank has followed the same Accounting Policies in preparation of this financial results as were followed in the Annual Financial Statements for the year ended 31.03.2014.
2. The working results of the Bank for the quarter / year ended March 31<sup>st</sup>, 2015 have been arrived at after considering provision for non-performing advances, non-performing investments and depreciation on investments on the basis of extant guidelines issued by the Reserve Bank of India on prudential norms for income recognition, asset classification and provisioning, provision for exposure to entities with unhedged foreign currency exposure besides other usual and necessary provisions.
3. Based on the available data, financial statements and the declaration from borrowers, the bank has estimated the liability of Rs. 11.13 Crores on unhedged Foreign Currency Exposure to their constituents in terms of RBI circular DBOD. NO. BP.BC.85/21.06.200/2013-14 dated 15<sup>th</sup> January 2014 and subsequent clarification vide circular no. DBOD.No. BP.BC.116/21.06.200/2013-14 dated 3<sup>rd</sup> June 2014. Provision of Rs. 11.13 Crores has been made as per RBI guidelines for year ended 31.03.2015.
4. Bank has made financing to farmers under tie-up arrangements with a sugar mill at one of its branch with outstanding of Rs. 97.85 Crores as on 31.03.2015. The Bank has made a provision of Rs. 24.46 Crores being 1/4th of the outstanding during the quarter ended 31<sup>st</sup> March, 2015 and balance provision of Rs. 73.39 Crores will be made in the next three quarters in terms of RBI Circular No. RBI/2014-15/535 DBR.NO.BP.BC.83/21.04.048/2014-15 dated 01.04.2015.
5. The Bank had sold Financial Assets for a consideration of Rs. 395.22 Crores to Asset Reconstruction Companies on cash and Security Receipts basis during the financial year 2013-14 at an aggregate gain of Rs. 292.73 Crores being the difference between aggregate

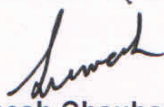


consideration and aggregate value (net of provisions). As per Risk Assessment Report 2013-14, the Reserve Bank of India (RBI) observed that only cash component of the sale consideration is eligible to be booked as profit. Based on observation of RBI, the bank has reduced the Book Value of Security receipts by Rs. 280.43 Crores by debiting to Profit and Loss account during the quarter ended March 31<sup>st</sup>, 2015.

6. Pursuant to Reserve Bank of India circular no. DBR.No.BP.BC.79/21.04.048/2014-15 dated 30<sup>th</sup> March, 2015 the Bank has utilized 50% of its floating provisions held as on 31<sup>st</sup> Dec., 2014. Accordingly, an amount of Rs. 24.12 Crores out of floating provision of Rs. 48.24 Crores has been utilized towards specific provisions for Non-performing Assets.
7. In accordance with RBI circular no. DBOD.No.BP.BC.2/21.06.201/2013-14 dated 1<sup>st</sup> July, 2013, Banks are required to make half yearly Pillar 3 disclosures under Basel III requirement w.e.f. 30<sup>th</sup> September 2013. The disclosures are being made available on our website at the following link [https://www.obcindia.co.in/obcnew/site/regulatory\\_disclosures.aspx](https://www.obcindia.co.in/obcnew/site/regulatory_disclosures.aspx).
8. The Board of Directors has proposed a dividend of Rs. 3.30 per share (face value Rs.10/-) i.e. @33% of the paid up capital of the Bank for the F.Y. 2014-15 subject to approval of share holders.
9. Provision of Rs. 309.74 Crores has been made during the year (previous year Rs. 104 Crores) for wage revision (Rs. 201.74 Crores for the quarter ended 31<sup>st</sup> March, 2015) effective from 1<sup>st</sup> November, 2012. The Bank has made total provision of Rs. 513.74 Crores upto 31<sup>st</sup> March, 2015.
10. In terms of RBI circular DBOD. BP. BC.80/21.04.018/2010-11 dated 09.02.2011, the Bank has opted to amortise pension liability with respect to second pension optees for a period of 5 years commencing from FY 2010-11. Accordingly, balance unamortized amount of Rs. 170.90 Crores as on 01.04.2014, has been amortised (Rs. 42.725 Crores per quarter) during the financial year ended 31.03.2015.
11. No. of Investor Complaints:- (i) Outstanding at the beginning of the quarter- 30, (ii) Received during the Quarter- 86, (iii) Disposed-off during the quarter- 106 and (iv) Outstanding at the end of the quarter- 10.
12. During the financial year 2014-15, the Bank has raised Tier I and Tier II Bonds amounting to Rs. 500 Crores & Rs. 1000 Crores respectively.
13. The Provisioning Coverage Ratio as at 31<sup>st</sup> March, 2015 works out to 60.59%.
14. The above financial results were recommended by the Audit Committee and approved by the Board of Directors of the Bank in their meeting held on 14.05.2015.
15. The figures of the previous year have been regrouped/ rearranged, wherever necessary.

  
(Suresh N Patel)  
(Executive Director)

  
(Eshupinder Nayyar)  
(Executive Director)

  
(Animesh Chauhan)  
(Managing Director & CEO)

Place: Gurgaon  
Date: 14<sup>th</sup> May, 2015



**P. L. TANDON & CO.**

Chartered Accountants  
Westcott Building, Mahatma Gandhi Road,  
P.O. Box No.113,  
KANPUR-208001

**SHAH & TAPARIA**

Chartered Accountants  
12, Navjeevan Wadi,  
Dhobi Talao,  
MUMBAI-400002

**BANSAL R. KUMAR & ASSOCIATES**

Chartered Accountants  
G-7 & 8, Namdhari Chambers, 9/54,  
D.B. Gupta Road, Karol Bagh,  
NEW DELHI-110005

**A BAFNA & CO.**

Chartered Accountants  
Raj Apartment, K-2, Keshav Path,  
Near Ahinsa Circle C-Scheme,  
JAIPUR -302001

**LUNAWAT & CO.**

Chartered Accountants  
54, Daryaganj,  
NEW DELHI-110002

**INDEPENDENT AUDITORS' REPORT**

To

The President of India,

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of the **Oriental Bank of Commerce** as at 31<sup>st</sup> March, 2015, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Profit & Loss account and the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information thereon. Incorporated in these financial statements are the returns of 20 branches audited by us and 1176 branches audited by branch auditors. The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 1055 branches which have not been subjected to audit. These unaudited branches account for 6.21% of advances, 18.34% of deposits, 4.00% of interest income and 16.74% of interest expenses.

**Management's Responsibility for the Financial Statements**

2. Management is responsible for the preparation of these financial statements in accordance with the Banking Regulation Act, 1949, accounting principles generally accepted in India alongwith recognition and measurement principles laid down in the Accounting Standards specified by the Institute of Chartered Accountants of India so far



as they are applicable to the Bank and guidelines and circulars issued by Reserve Bank of India from time to time. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

6. In our opinion, as shown by books of bank, and to the best of our information and according to the explanations given to us -
  - (i) the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at 31<sup>st</sup> March, 2015, in conformity with accounting principles generally accepted in India.



- (ii) the Profit and Loss Account, read with the notes thereon shows a true balance of profit, in conformity with accounting principles generally accepted in India, for the year covered by the account; and
- (iii) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

### Emphasis of Matters

7. We draw attention to:-

- 1) Note No. 15 (d) of Schedule – 18 wherein the plan assets of the pension fund and gratuity fund include an amount of Rs.58.00 Crores and Rs.59.20 Crores respectively invested by the trust in the Bank's own Bonds which is not in accordance with Accounting Standard – 15 "Employee's Benefits" issued by the Institute of Chartered Accountants of India.
- 2) Note No. 16 of Schedule 18 regarding deferment of provision of Rs. 73.39 Crores pursuant to the RBI circular no. RBI/2014-15/535 DBR.No.BP BC.83/21.04.048/2014-15 dated 01.04.2015

Our opinion is not modified in respect of above matters.

### Report on Other Legal and Regulatory Requirements

- 8. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949.
- 9. Subject to the limitations of the audit indicated in paragraph 1 to 5 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, and subject also to the limitations of disclosure required therein, we report that:-
  - (i) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory.
  - (ii) The transactions of the Bank, which have come to our notice have been within the powers of the Bank.





(iii) The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.

10 In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the applicable Accounting Standards.

For P.L. TANDON & CO.  
Chartered Accountants  
FRN 000186C

  
(A. K. Agarwal)  
Partner  
M. No.: 071548



For SHAH & TAPARIA  
Chartered Accountants  
FRN 109463W

  
(Nand Lal Shah)  
Partner  
M. No.: 006936



For BANSAL R. KUMAR & ASSOCIATES  
Chartered Accountants  
FRN 008186N

  
(R. K. Gupta)  
Partner  
M. No.: 086851



For A BAFNA & CO.  
Chartered Accountants  
FRN 003660C

  
(Anil Bafna)  
Partner  
M. No.: 071288



For LUNAWAT & CO.  
Chartered Accountants  
FRN 000629N

  
(Ramesh K. Bhatia)  
Partner  
M. No.: 080160



Place: Gurgaon  
Date: 14<sup>th</sup> May, 2015